



# 2012 School Budget Information

Indiana Association of School Business Officials  
Annual Meeting

Linda Lessaris  
Budget Division Field Supervisor

May 13, 2011



# DLGF RESPONSIBILITIES

- Ensures property tax assessment and local government budgeting follow Indiana law
- Publishes property tax assessment rules
- Annually reviews and approves budgets, tax rates and levies of every political subdivision including all counties, cities, towns, townships, school corporations, libraries and other entities with tax levy authority



# DLGF RESPONSIBILITIES

- TOP PRIORITY: ON-TIME PROPERTY TAX BILLING – a joint effort with local county officials
- TRANSPARENCY: Simplify budget procedures and forms. Make information available to taxpayers in a more timely fashion.
  - Gateway Program



# ON-TIME BILLING

## 2011 Budget Status:

- Eighty-six (86) counties with 2011 certified budget orders by February 15<sup>th</sup>
- Five (5) additional counties with 2011 certified budget orders by March 31<sup>st</sup>
- Ninety (90) counties with a May 10, 2011 tax due date



# BUDGET RELATED DEADLINES

- **Aug. 1** – Deadline for auditors to file certificate of net AVs and estimates of miscellaneous revenues with units and DLGF. IC 6-1.1-17-1
- **Sept. 2** – Last date for first publication of Budget Form 3 (Notice to Taxpayers of Budget Estimates and Tax Levies) which includes the 2012 annual total appropriations, proposed tax levy, excessive levy appeals, and current tax levy (at least ten (10) days before the public hearing) I.C. 6-1.1-17-3
- **Sept. 9** – Last date for second publication (at least three (3) days prior to the public hearing) IC 6-1.1-17-3



# BUDGET RELATED DEADLINES

- **October 19** – Last day for school units to file excessive levy appeals, i.e. Transportation Operating Appeals
- Objecting petitions, filed by taxpayers, must be filed within seven (7) days after public hearing on the budget.
- **Nov. 1** – Deadline for units to adopt 2012 budgets, rates and levies. IC 6-1.1-17-5
- **Nov. 1** – Last date for schools to adopt the Capital Project Plan and Bus Replacement Plan. (HEA 1004)



# BUDGET RELATED DEADLINES

- **Nov. 3** - Last date for all units to file adopted budget with the county auditor.
- A full list of budget-related deadlines is available on DLGF Web site at <http://www.in.gov/dlgf/2444.htm>.
- Reassessment began July 1, 2010 for 2012 pay 2013



# CAGIT PTRC Distributions

- Regular Distributions – receive monthly from County Auditor
- Surplus Distributions – N/A for 2011
- Fund #3955
  - Should have zero balance
- Pension Debt – does not receive PTRC
  - PTRC is pro-rated to all other rated funds





# HEA 1367-2010: Fund Transfers

- DEADLINE FOR TRANSFER – June 30, 2011
- Transfers between Funds
  - Not Debt or Racial Balance Funds
- CPF – 5%/10% guidelines
  - CPF cap rate before Utility and Insurance adjustment
- Administered by IDOE



# Debt Funds

- Debt Fund
- Exempt Debt Fund – St. Joseph & Lake counties only
- Exempt Pension Debt Fund – St. Joseph & Lake counties only
- Referendum Fund - Operating
- Referendum Debt Fund - Capital



# New Legislation

- Transportation Fund – Removal of “use it or lose it” max levy calculation (HEA 1288)
- CPF Cap Rate Calculation – Steps 2 & 4 can be negative numbers (HEA 1004)
- Unit may transfer money from another fund to meet debt obligations as they come due, if collections are decreased due to Circuit Breaker. (HEA 1004)



# New Legislation (Con't)

- Bus Replacement Levy for 2012(HEA1004)
  - DLGF establishes a maximum levy for 2012 reviewing the following factors:
  - Project levies from most recent bus plans
  - Transfers from Bus Replacement to Rainy Day
  - Schools' use of Bus Replacement for pension neutrality
  - Cash Balance & other relevant factors



# New Legislation (Con't)

- Rules on petition, remonstrance and referenda (HEA 1238)
  - The Department has review authority of all ballot language
  - Project cannot be divided to avoid petition & remonstrance procedure
  - Promotion restrictions on school referendum tax levy



# Policy Changes

- To ensure that Debt Service rates and levies are not inflated
  - The Department will not recognize transfers out of Debt Service after June 30, 2011
  - The Department will use certified levy rather than abstract in calculating December estimate of property tax (Line 7 – Form 4B)



# Reminders

- Referendum Fund – **ADVERTISE AND ADOPT W/ YOUR BUDGET (I.C. 6-1.1-17-3)**
- Submit budget and all related paperwork to DLGF Field Representative
  - By regular mail. (Do not request their signatures.)
- Submit budget to County Auditor
  - One (1) copy of your forms 1, 2, 3, 4, 4B's & 5
  - One (1) copy of your Proof of Publications



# Reminders

- CPF – Notice of Adoption
  - Timeliness
  - Publish rate and levy on notice
  - Taxpayers have ten (10) days to petition/remonstrate
- Budget Workshops – July & August





# DLGF COMMUNICATIONS

## ■ Memoranda to All Taxing Units (May-June)

- Budget Calendar
- Budget Forms
- Suggested Maximum Levy Calculation
- DLGF Budget Workshops
- Additional Appropriations
- Other Budget Related Information



# DLGF COMMUNICATIONS

- **Follow Up Correspondence (Mid-June)**
  - Instructions for Preparing 2012 Budget Forms
  - School Bus Replacement Plan Memo
  - School Transportation and Bus Replacement Funds
  - Capital Projects Fund Memo
  - Excessive Levy Appeals Memo



# Stay Updated

- Website for DLGF Memoranda and Presentations
  - <http://www.in.gov/dlgf/2444.htm>
- Join a listserv





# Contact The Department

- Karen Large, Budget Division Director
  - E-mail: [klarge@dlgf.in.gov](mailto:klarge@dlgf.in.gov)
  - Telephone: 317.234.3937
- Dan Jones, Assistant Budget Division Director
  - E-mail: [djones@dlgf.in.gov](mailto:djones@dlgf.in.gov)
  - Telephone: 317.232.0651
- Linda Lessaris, Budget Division Supervisor
  - E-mail: [llessaris@dlgf.in.gov](mailto:llessaris@dlgf.in.gov)
  - Telephone: 317.233.9239
- Web site: [www.in.gov/dlgf](http://www.in.gov/dlgf)
  - “Contact Us”: [www.in.gov/dlgf/2338.htm](http://www.in.gov/dlgf/2338.htm)
  - Fax: 317.232.8779